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Noted by DCI
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The President's Daily Brief

January 18, 1974

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THE PRESIDENT'S DAILY BRIEF

January 18, 1974

PRINCIPAL DEVELOPMENTS

Press reports indicate that Syria has threatened to break relations with Egypt because of Cairo's agreement to disengage forces. If these reports are accurate, Syrian President Asad may be in trouble. The Israeli Government is under fire from conservatives; demonstrations are threatened for Sunday. *(Page 1)*

The Indonesian Government has clamped down on dissent following several days of street violence in Jakarta. *(Page 3)*

Intercepted messages indicate that the Khmer Communists plan a major attack against Phnom Penh's southern defenses in the near future. *(Page 4)*

Israel's tank inventory is estimated to be greater now than before the war as a result of its absorption of large numbers of captured armor. *(Page 5)*

Recent improvements in the Ho Chi Minh Trail permit North Vietnamese infiltrators to move now by truck at a much faster pace than previously. *(Page 6)*

Chinese and South Vietnamese nationals may have clashed recently over Chinese occupation of one of the disputed Paracel Islands. *(Page 7)*

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MIDDLE EAST

Syria threatened to sever relations with Cairo yesterday following the announcement of the Egyptian-Israeli disengagement agreement, according to a press report from Damascus. If the report is accurate, President Asad may have been forced to make the threat by those in the military and Baath Party who strongly oppose negotiations with Israel.

"Authoritative sources" were quoted by the press report as stating that Damascus viewed the disengagement agreement as an act of treachery that would lead to the "liquidation" of the Palestinian question and of Arab interests as a whole.

Asad's position could be seriously weakened by this turn of events. Only a few days ago he seemed ready to enter negotiations.

Asad was said to have called a meeting of political leaders to announce that Syria would attend the Geneva conference. To underscore the decision, he reportedly named the Syrian delegation and said he intended to reshuffle the cabinet, presumably to replace those opposing such a move. Most prominent among those rumored to be replaced was Foreign Minister Khaddam, who is said to have threatened to resign rather than represent Syria at the peace talks.

Syria's reaction could pose particular problems for Egyptian President Sadat. He can point to success in the disengagement talks as a counter to militant Arabs who contend that only war can bring progress toward a complete Israeli withdrawal, but without Asad's support Sadat has less of a counter to charges that Egypt is negotiating unilaterally, disregarding Arab interests.

Sadat had already been planning a trip to Damascus, as well as other Arab capitals, presumably to coordinate positions in the aftermath of the negotiations. The trip now takes on added urgency. Egypt clearly regards Syrian-Israeli disengagement as a necessary next step, and views Syrian participation in the broader Geneva negotiations as a key factor in the talks.

Sadat probably hopes he can convince the Syrians that Cairo does not intend to abandon the Arab cause for the sake of a comprehensive bilateral settlement with Tel Aviv, and that Syrian participation in the coming talks could benefit Damascus.

(continued)

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As yet, there has been no reaction to the disengagement announcement from Saudi Arabia or other Arab oil-producing states. Neither has there been any indication whether it will lead to a lifting of the oil embargo and an increase in production.

The evidence suggests that King Faysal may not have made up his mind whether to declare an end to the embargo in conjunction with disengagement on the Egyptian front. The terms and timetable of the accord may be a telling factor in his decision.

Israel views its approval of the accord as a major concession to the Arabs. Tel Aviv will likely regard Cairo's adherence to the agreement as the prerequisite for further steps toward a comprehensive settlement. Although the Meir government conceded that it had to make the first move, it is likely to proceed cautiously in withdrawing its forces from the Suez Canal into the Sinai, constantly alert for any sign Cairo is not keeping its end of the bargain.

The government has already come under sharp criticism for making the agreement with Cairo. The right-wing Likud--the country's second largest political grouping--is calling for street demonstrations on Sunday to protest the alleged "surrender and one-sided withdrawal."

Mrs. Meir's efforts to form a new coalition government will probably not be affected by the agreement. Likud, her major domestic political opponent, is not in the running for coalition membership, and the parties that are do not share Likud's opposition to territorial concessions in the Sinai.

Moscow quickly issued the text of President Nixon's statement, including the phrase that the disengagement agreement had been reached "with the help of the Government of the United States of America." The Soviets did not, however, report any of the related remarks made by the President. Moscow obviously is not pleased with the fact that it played little or no role in bringing about disengagement. The Soviets, nevertheless, have little choice but to support the agreement as a step toward a Middle East settlement.

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INDONESIA

The government has decided to clamp down on dissent in the wake of this week's urban violence in Jakarta. According to a government statement:

--demonstrations that can lead to disorder will be prohibited;

--universities will be "protected" from political activities;

--newspaper reporting will be "regulated"; and

--those responsible for the recent disorders will be punished.

This morning, troops occupied the University of Indonesia, and the government shut down three radio stations and a newspaper.

Security officials now admit that most of the violence was caused by nonstudent street toughs, but they are nevertheless arresting student leaders as an object lesson. Officials are publicly blaming the students for starting something they could not control, while many of the students themselves are appalled at the outcome of the anti-Japanese protests and are working with the authorities to restore order.

The rapidity with which the protest escalated proves that the students' criticism of Japanese business practices and of the high living of the Jakarta elite struck a sympathetic chord among the general population. The subsequent violence, however, may well have canceled any gains the student movement might have made. The new government line suggests that the violence also gave pause to those within the ruling group who were beginning to champion the students' cause.

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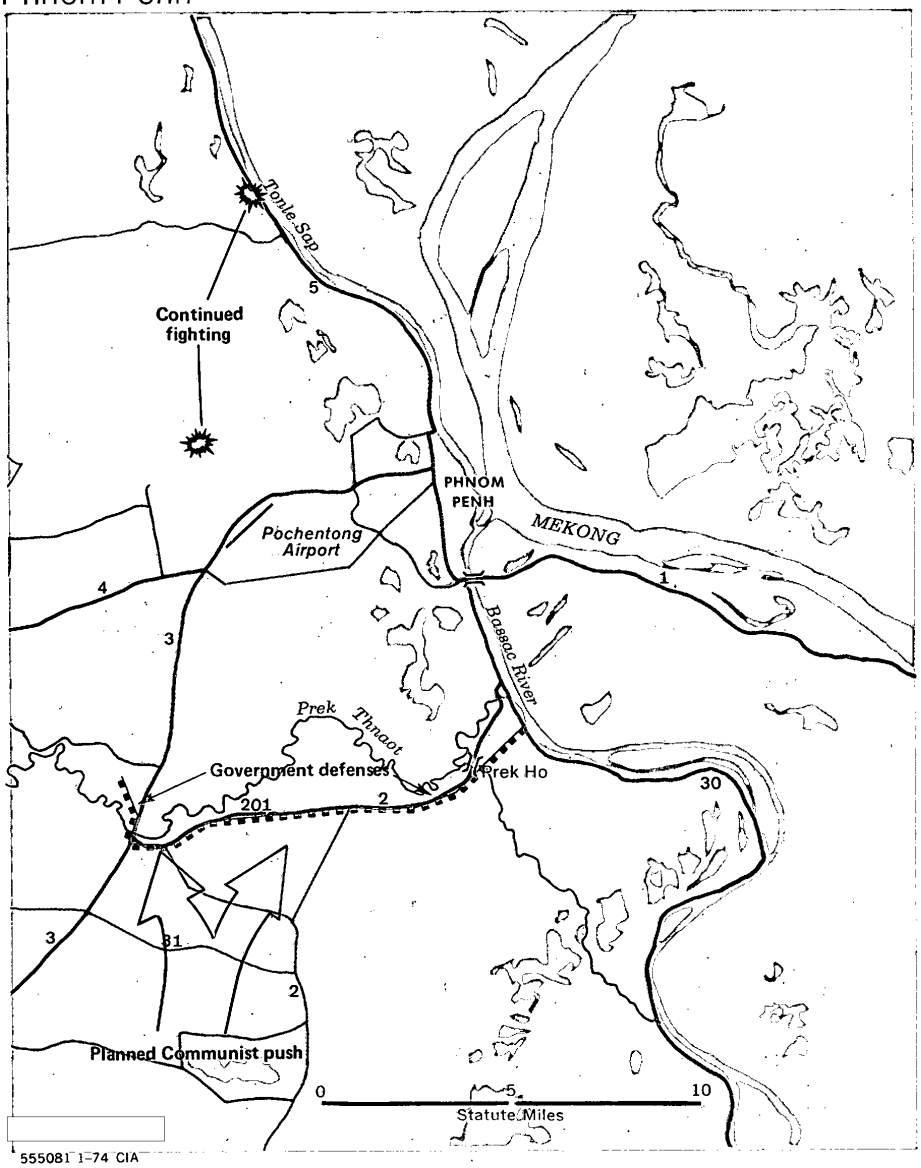
Phnom Penh



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CAMBODIA

Recent intercepted messages indicate that the Khmer Communists plan a coordinated attack against Phnom Penh's southern defenses. As many as three Communist regiments will reportedly attack the western end of the defense line between Routes 3 and 4. If the Communists penetrate the city's outlying defenses, they evidently intend to hit targets in and around Phnom Penh itself. The overall operation could involve 4,500 troops.

The Communist move may not develop entirely as planned, however. Units located southeast of the capital have postponed participation until early next week, and others have failed to launch preliminary attacks on schedule. Many of the units involved are made up of inexperienced troops or have already seen heavy combat this dry season.

In anticipation of the attack, the government has approximately 5,000 troops, backed by artillery and armored units, in positions south of Phnom Penh. But most of the army's reserve force is already tied down, and the government will be hard pressed to find substantial reinforcements for either the south or the northwestern front, where heavy fighting continues.

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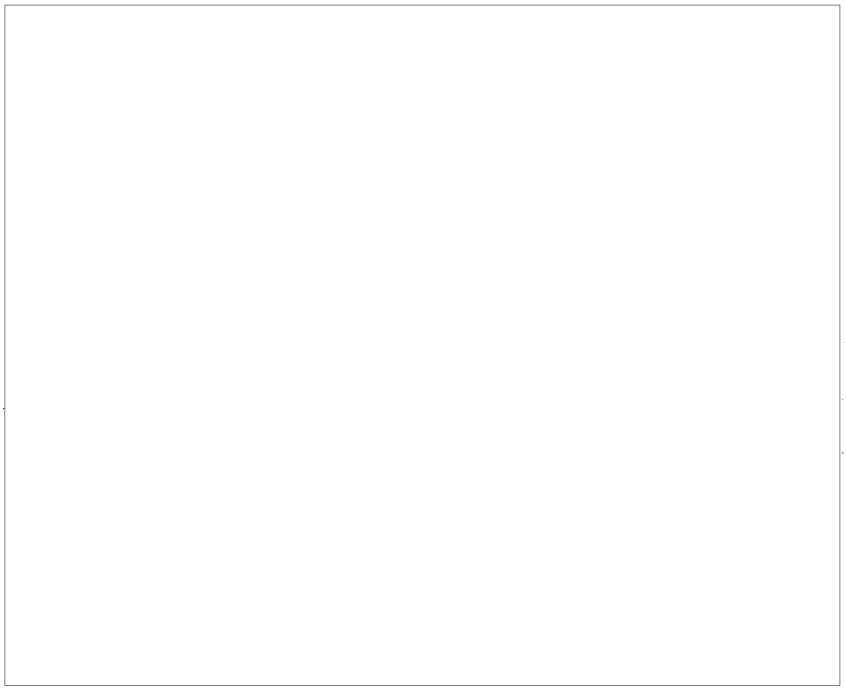
ISRAEL



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INDOCHINA

Intercepted communications suggest the North Vietnamese have so improved the Ho Chi Minh Trail complex that they can now use trucks throughout most of the system to transport infiltrating troops. Infiltrators can reach South Vietnam's northern provinces in less than a week, the central highlands in about three weeks, and the COSVN area in about a month. After arriving in South Vietnam, however, it still takes another two weeks to integrate the troops into their units.

The overall improvement of the infiltration system has taken place since the cease-fire. It appears to be part of North Vietnam's long-range plan to build firm and effective links with Communist-controlled areas in the south, and is not necessarily related to any short-range military intentions. In fact, parts of the network in South Vietnam and Laos are still under construction.

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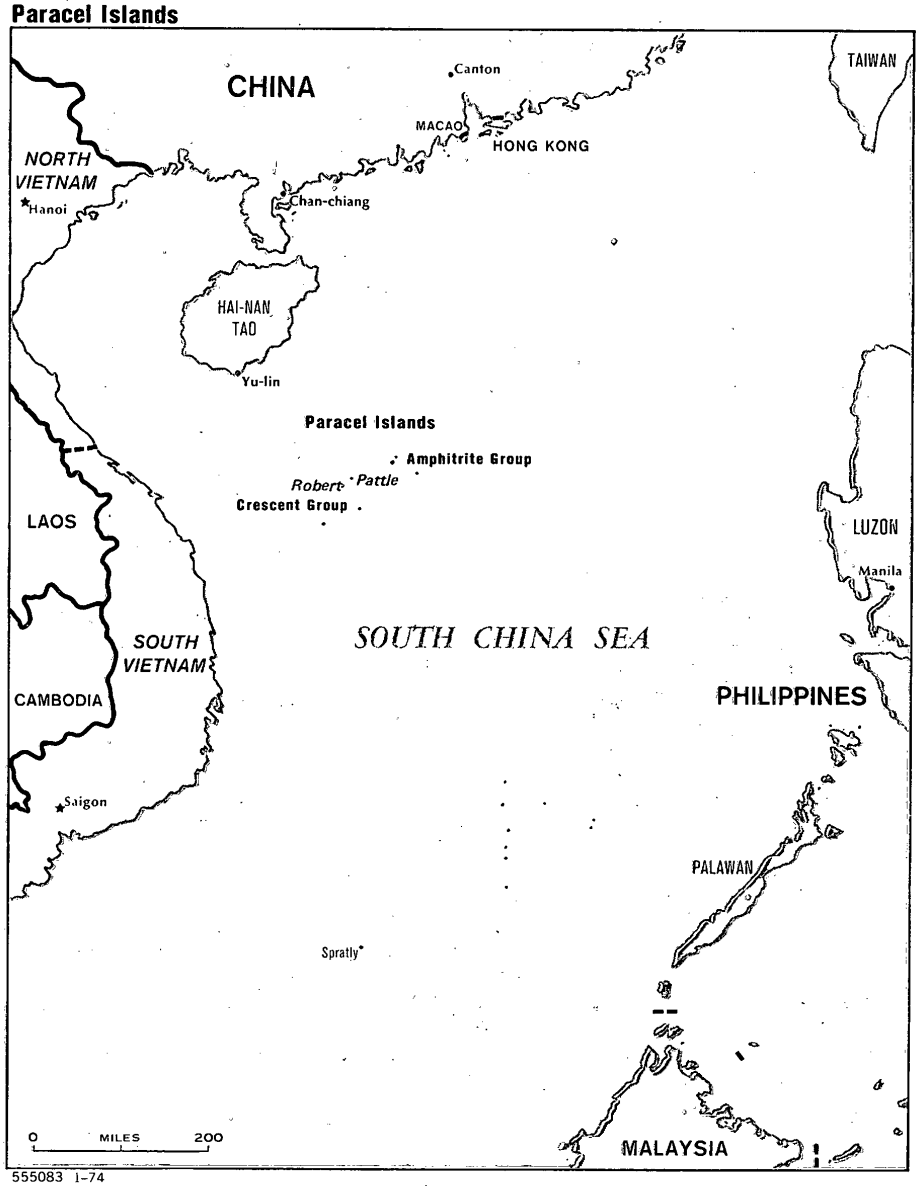
Paracel Islands



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CHINA - SOUTH VIETNAM

Chinese and South Vietnamese nationals may have clashed on January 16 over Chinese occupation of Robert Island in the disputed Paracel Islands. Saigon reports that South Vietnamese soldiers fired on the Chinese when they set up tents and raised their flag over the island. In what may be a response to the incident, two Chinese naval air force jet fighters yesterday performed an unprecedented flight from Hainan Island to the Paracels and back.

Both Peking and Saigon have claimed the Paracels and have maintained a military presence on some of them since the mid-1950s. For the past two years, the Chinese have been constructing a naval facility on one of the islands that could effectively service naval combatants.

The Paracels have strategic and economic importance to the Chinese. They are used as radar and weather sites, and their proximity to the main shipping lines of the South China Sea permits surveillance of ocean traffic. For its part, South Vietnam has moved in recent years to reinforce the number of troops manning its outposts, particularly on Pattle Island.

The renewal of interest in the islands may have been prompted by the prospect of finding oil on them or under the surrounding waters. The Chinese are constructing a large drilling rig on one island which could be used for oil, gas, or sulphur exploration.

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